

October 20, 2014

To: Members of the Commission to Strengthen the Adequacy and Equity of Certain Cost Components of the School Funding Formula

From: Karen Kusiak – representative for district #84 Maine House of Representatives

Re: Agenda item 6 - Special education allocation for minimum subsidy receivers

Equity of school funding for Maine school districts is highly important. In my teaching and research, I advocate for awareness of inequitable funding of public education in Maine and beyond. The extent of inequity in school funding in the US and the outcomes associated with this inequity are documented extensively in education and public policy literature. Furthermore, I represent communities that are moderate to high subsidy receivers and wish to have my voice as a representative from higher receiving districts heard in the Education Committee and on the Commission for school funding.*

Members of the Commission heard during introductory comments at a previous meeting that funds that automatically go to minimum subsidy receivers are funds that become unavailable for high subsidy receivers. In other words, school districts that have an easier task when raising their local share for school funding are subsidized by the state at the expense of districts that are less able to raise their local share.

Outcomes of inequitable school resources are apparent in Maine. Several years ago I completed a study in classrooms in two distinct schools in Maine. One school was a minimum subsidy receiver (about 17% state share) and the other a moderate subsidy receiver (about 60% state share.) One school district I studied had a per pupil operating cost of approximately \$12,500 while the other had a per pupil operating cost of approximately \$9,500. Furthermore, close to 10% of the students in the minimum subsidy-receiving district lived below the poverty line while slightly less than 17% lived below the poverty line in the other district.

The differences between these two schools in terms of facilities, equipment, numbers of personnel, instructional approaches, and expectations of students were striking. While I was completing my study, I wondered how a student from one of the schools would fare if she were transferred to the other school. Support services, school climate, and what it meant to be a good student were very different at the two schools. A rough and questionable comparative measurement of the outcomes between the two schools emerged a few years after I completed my qualitative study. The minimum subsidy receiving district's high school was assigned one of the highest possible grades in Governor LePage's school grading program. Not surprisingly, the other high school received an embarrassing and defeating school grade.

The extensive review by Lawrence O. Picus and Associates of Maine's EPS Funding Act is very informative. I urge the Commission to consider the recommendations, or possibilities, raised in the briefing of August 1, 2013: Policies That Address the Needs of High Property-Wealth School Districts with Low-Income Households. In particular, the recommendation to use income as a multiplier rather than additive factor is promising and would ensure that tax-payers from low-income households in minimum subsidy receiver districts are

protected from local property tax increases that the residents are not able to afford (p. 4-11.) A movement toward such a model would also ensure that only school districts (and their tax-payers) that need state subsidy assistance – in the form of special education allocation or other means - would receive it.

Certainly whatever plan the Commission endorses will be tied with the work of the Appropriations and possibly Taxation Committees. Robust circuit breaker programs and/or homestead property tax exemptions will also need to be included in the recommendations for equitable funding of Maine schools. By the way, I endorse the Vermont model as a way to ensure true equity in school funding (p. 12-27.)

I urge the Commission to look critically at the current configuration of the special education allocation for minimum subsidy receivers. I also look for the courage and determination needed to ensure equitable school funding across the state.

*During the year that I completed my study, my local school district received over 75% state share of its budget. Another district I partially represent in the Legislature received about 62% state share.

Griffith, M., Picus, L. O., Odden, A., Aportela, A. (2013). Policies that address the needs of high property-wealth school districts with low-income households. *Lawrence O. Picus and Associates*.